



**Minutes of the
City Commission for the City of Traverse City**

Regular Meeting

March 2, 2015

A regular meeting of the City Commission of the City of Traverse City was called to order at the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan, at 7 p.m.

The following Commissioners were present, constituting a quorum: Mayor Michael Estes, Mayor Pro Tem Barbara D. Budros, James Carruthers, Jeanine Easterday, Gary Howe, Ross Richardson, Tim Werner.

The following Commissioners were absent: None.

The Pledge of Allegiance was recited.

Mayor Estes presided at the meeting.

Consideration of suspending the City Commission Rules to consider accepting the resignation of the City Manager.

The following addressed the Commission:

Katelyn Stroven, Deputy City Clerk

Moved by Richardson, seconded by Easterday, that the City Commission suspends Rule 9(a) to modify Agenda Item 4(a) to be as follows: "Consideration of accepting the resignation of City Manager Jered Ottenwess and consider possibly entering into closed session regarding attorney-client privileged communication regarding the City Manager; and appointing an Acting City Manager and any other actions regarding the vacancy."

CARRIED unanimously.

2. Consent Calendar

Moved by Carruthers, seconded by Richardson, that the following actions as recommended on the Consent Calendar portion of the Agenda be approved:

- a. the minutes of the February 17, 2015, Regular Meeting, be approved.
- b. the Assistant City Manager be authorized to issue a confirming purchase/service order in the amount of \$15,559.39 to Brenner Oil Co. for 9,998 gallons of unleaded gasoline priced at \$1.55625 per gallon with funds available in the Garage Fund.
- c. the Resolution recommending approval of a request from OM Café TC, LLC. for a New Banquet Facility Permit, be adopted; and that the City Clerk be authorized to issue a Liquor License Registration to OM Café TC, LLC, to operate such permits at 148 E. Eighth Street.
- d. the Assistant City Manager be authorized to issue a service order to Northern Pump & Well in the amount of \$27,592 for work on the water system's high service pump # 3 and low service pump #1, with funds available in the Water Fund.
- e. the Assistant City Manager be authorized to issue a purchase order to EH Wachs of Harvard, Illinois, in the amount of \$75,900.00 for the purchase of a 2015 Wachs Standard LX Diesel VMT trailer-mounted water valve exercising machine to be used by the Water/Sewer Maintenance Division, with funds available in the Water Fund.
- f. the Resolution Banning the Possession and Consumption of Alcoholic Beverages at Clinch Park Beach, be adopted

CARRIED unanimously.

Items removed from the Consent Calendar

None.

3. Old Business

3(a).

Report from the City Commission Ad Hoc Committee Regarding City

Assets/Carnegie Building; and consideration of authorizing lease agreements for space within the Carnegie Building.

Moved by Howe, seconded by Richardson, that the Mayor and City Clerk be authorized to execute a non-exclusive Lease Agreement with Crooked Tree Arts Council, Inc. for a portion of the Carnegie Building located at 322 Sixth Street, Traverse City, MI for a three-year period at a cost of \$25,000 per year; and further that the Mayor and City Clerk be authorized to execute a non-exclusive Lease Agreement with Grand Traverse Rock and Mineral Club, Inc. for a portion of the Carnegie Building located at 322 Sixth Street, Traverse City, MI for a three-year period at a cost of \$1,000 per year, with both agreements subject to approval as to their substance by the Assistant City Manager and their form by the City Attorney, with the lease payments to be deposited to the Heritage Center Fund.

CARRIED unanimously.

4. New Business

4(a).

Consideration of accepting the resignation of City Manager Jered Ottenwess and consider possibly entering into closed session regarding attorney-client privileged communication regarding the City Manager; and appointing an Acting City Manager and any other actions regarding the vacancy.

Moved by Richardson, seconded by Carruthers, that the City Commission waives the liquidated damages requirement contained in Paragraph 5(a) of the Employment Agreement for the City Manager dated May 30, 2013 and approves payment to Jered Ottenwess the equivalent of 90 calendar days pay (\$26,254.80) as estimated and payment of health and dental premiums for policies currently in effect for a period of 90 calendar days (equivalent to \$3,544.62) as estimated, subject to Jered Ottenwess' execution of a mutual agreement, waiver and release, of any and all claims or possible claims against the City of Traverse City. The Mayor and City Clerk shall be authorized to execute such agreement, waiver and release subject to approval as to its form by the City Attorney and its content by the Acting City Manager.

The following addressed the Commission:

W. Peter Doren, Acting City Attorney

Matt Vermetten, Attorney Representative for Jered Ottenwess
Rick Buckhalter, 932 Kelley Street
Jan Cleland, 211 West 12th Street

Roll Call.

Yes – Carruthers, Easterday, Howe, Richardson, Budros, Estes

No – Werner

CARRIED.

Moved by Easterday, seconded by Richardson, that the City Commission enter into closed session immediately following the public comment portion of the agenda to consider the written attorney-client privileged communication regarding City Manager Jered Ottenwess, as authorized by MCL 15.268(h).

The following addressed the Commission:

W. Peter Doren, Acting City Attorney

By consensus of Commissioner Easterday and Commissioner Richardson, the motion was withdrawn.

Moved by Carruthers, seconded by Easterday that Assistant City Manager Penny Hill be appointed as Acting City Manager until a new City Manager is appointed.

The following addressed the Commission:

W. Peter Doren
Rick Buckhalter, 932 Kelley Street
John Cunningham, 145 E. 12th Street

Roll Call

Yes – Easterday, Howe, Werner, Carruthers, Budros, Estes

No – Richardson

CARRIED.

The following addressed the Commission:

Jamie Caroffino, Human Resource Generalist

Moved by Richardson, seconded by Howe, proceed forward on the search for a new City Manager using option 3 as detailed in the memo from Jamie Caroffino dated March 2, 2015, utilizing the City's Human Resource Department.

Rick Buckhalter, 932 Kelley Street

CARRIED unanimously.

Moved by Budros, seconded by Richardson, to appoint an ad hoc committee to work with the City Human Resource Department to accomplish the preliminary steps in the recruitment process for hiring a new City Manager and that Commissioners Richardson, Easterday, and Werner to serve on such committee.

CARRIED unanimously.

Moved by Richardson, seconded by Budros to make public the attorney-client privileged communication from Lauren Tribble-Laucht, City Attorney to the City Commission dated February 22, 2015.

CARRIED unanimously.

5. Appointments

None

6. Reports and Communications

The following were received and filed:

- a. Reports, announcements and correspondence from the City Manager.
- b. Announcements from the Deputy City Clerk.
- c. Reports, announcements and correspondence from the Mayor and City

Commissioners.

- d. Reports and correspondence from other City officials, boards and committees.
 1. Reports from members of the Commission serving on boards.
 2. Minutes of the Traverse City Light and Power Board meetings of January 13 and January 27, 2015.

7. Public Comment

The following addressed the Commission:

1. Reserved.

None

2. General.

Jan Cleland, 211 West 12th Street
Rick Buckhalter, 932 Kelley Street
Melissa Barrett, 3903 Scenic Ridge, Garfield Township

3. Mayor and City Commissioners.

There being no objection, Mayor Michael Estes declared the meeting adjourned at 8:24 pm.

Katelyn Stroven
Deputy City Clerk

Approved: _____, _____
(Date) (Initials)